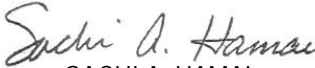


ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

25 JUNE 9, 2010


SACHIE A. HAMAI
EXECUTIVE OFFICER

Los Angeles County
Board of Supervisors

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First District

Mark Ridlev-Thomas
Second District

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Third District

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Fourth District

Michael D. Antonovich
Fifth District

June 01, 2010

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

John F. Schunhoff, Ph.D.
Interim Director

Gail V. Anderson, Jr., M.D.
Interim Chief Medical Officer

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: (213) 240-8101
Fax: (213) 481-0503

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**APPROVAL OF AMENDMENTS TO METROCARE INPATIENT PROGRAM
AGREEMENT AND IMPACTED HOSPITAL PROGRAM AGREEMENTS
(SUPERVISORIAL DISTRICT 2)
(3 VOTES)**

SUBJECT

Request approval to extend the terms of the MetroCare Inpatient Program Agreement and the eight Impacted Hospital Program Agreements.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Interim Director of Health Services (Interim Director), or his designee, to execute Amendment No. 4 to the MetroCare Inpatient Program (MetroCare) Agreement No. H-75939 with St. Vincent Medical Center (SVMC), effective on Board approval to extend the term of the Agreement for the period of July 1, 2010, through June 30, 2012, with an option to further extend the term on a month-to-month basis for up to one year, or until the opening of the new Martin Luther King Jr. (MLK) Hospital, whichever occurs sooner, at the same payment rates with an estimated annual cost of \$3.0 million, contingent upon passage of legislation extending the South Los Angeles Medical Services Preservation Fund, and update other provisions, at the direction of the Interim Director upon review and approval by the Chief Executive Office (CEO) and County Counsel and notification to your Board.

2. Authorize the Interim Director, or his designee, to execute an Amendment to the Impacted Hospital Program (IHP) Agreement Nos. H-76342, H-76343, H-76344, H-76345, H-76346, H-76365, H-76393, and H-76614, with the eight



private impacted hospitals listed on Attachment A, effective on Board approval to extend the term of the Agreements for the period July 1, 2010, through June 30, 2012, with an option to further extend the term of each on a month-to-month basis for up to one year, or until the opening of the new MLK Hospital whichever occurs sooner, at the direction of the Interim Director upon review and approval by the CEO and County Counsel and notification to your Board, with an estimated annual cost of \$8.5 million, contingent upon passage of legislation extending the South Los Angeles Medical Services Preservation Fund.

3. Delegate authority to the Interim Director, or his designee, to amend the MetroCare and IHP Agreements to further extend the term of each Agreement on a month-to-month basis for up to one year through June 30, 2013, or until the opening of the new MLK Hospital, whichever occurs sooner, upon review and approval by the CEO and County Counsel and notification to your Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the first recommendation will allow the Interim Director to execute Amendment No. 4, substantially similar to Exhibit I, to the MetroCare Agreement with SVMC to continue to receive payment for County-responsible inpatients transferred from County hospitals and IHP hospitals. The Agreement extension is necessary for the continuity of timely movement of patients out of emergency rooms to maintain adequate emergency coverage for County-responsible patients, as the IHP hospitals may need to utilize inpatient beds for those patients who otherwise would have been treated in the emergency room at MLK-Harbor.

On August 13, 2007, a special meeting was held by the Board regarding the closure of MLK-Harbor Hospital to consider the Department of Health Services' (DHS) Contingency Plan, and other related issues. The County recognized that with the closure of the emergency room and inpatient facilities at MLK-Harbor, surrounding privately operated hospitals and emergency rooms needed to continue to receive financial support for treatment of certain County-responsible patients, transported via 911 ambulance from the 911 catchment area of MLK-Harbor to impacted hospitals for emergency room only treatment, or emergency room and subsequent inpatient care. MetroCare and IHP were developed to help address the critical need of those hospitals that would be impacted by the MLK-Harbor closure. The Board approved DHS' Contingency Plan which provided for the IHP Agreements.

Approval of the second recommendation will allow the Interim Director to execute an Amendment to the eight IHP Agreements, substantially similar to Exhibit II, to extend the Agreements to allow these private hospitals, which were impacted by the closure of MLK-Harbor, to continue to receive payment for emergency services provided to County responsible patients. The Agreement extension is necessary to maintain adequate emergency coverage for County responsible patients.

The Amendment also makes a nonsubstantive procedural change by establishing a deadline for IHP hospitals' submission of claim appeals. The deadline is necessary to allow the County to meet established budgetary procedures and guidelines. This is a procedural change and will have no impact on the program.

In addition, the Agreements' subrogation rights provisions have been revised in order to clarify the parties' patient care payment obligations. This substantive change is necessary to ensure that the County's payment is reimbursed, if and when, there is a third-party settlement for such services.

County Counsel has reviewed and approved this substantive change. The reimbursement provisions will remain unchanged during the extended term of the Agreement.

Funding for these Agreements has been 100 percent offset by the South Los Angeles Medical Services Preservation Fund (Preservation Fund) that was established by Senate Bill 474 (SB 474) with the funding scheduled to sunset June 30, 2010.

Assembly Bill (AB) 2599 (Bass and Hall), introduced into the State Assembly on February 19, 2010, would ensure continuation of the Preservation Fund past the current sunset date. It is expected that this or a similar bill will pass the State legislature by the end of August 2010. DHS is extending the contracts for FY 2010-11 prior to the passage of the bill in order to ensure continuity of services. If legislation to extend the Preservation Fund is not enacted and other funding is not designated for this purpose, DHS may exercise its option to terminate the Agreements with 30 days prior written notice.

Approval of the third recommendation will allow the Interim Director to extend the term of the SVMC MetroCare and the IHP Agreements on a month-to-month basis up to one additional year through June 30, 2013, to maintain vital patient care for the South Los Angeles area and to coordinate with the opening of the new MLK Hospital.

Implementation of Strategic Plan Goals

The recommended actions support Goal 4, Health and Mental Health of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The estimated annual cost for the SVMC MetroCare Amendment is \$3.0 million and the IHP Amendment is \$8.5 million for FY 2010-11. Funding is included in DHS' FY 2010-11 Proposed Budget and will be included in future fiscal years should DHS exercise the option to extend the Agreements.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

MetroCare

On December 1, 2006, DHS implemented the MetroCare Program which provided for contracts with certain hospitals that were able to provide inpatient hospital care to County-responsible patients, to minimize the impact on those patients who would have otherwise received such care at MLK-Harbor. MetroCare contracts were negotiated with hospitals that were able to provide inpatient medical and surgical care and that were physically located within a 12 radius of MLK-Harbor, to receive patients transferred from MLK-Harbor. SVMC was one of the hospitals that contracted with the County under the MetroCare Program.

As approved by the Board on August 13, 2007, the IHP Agreements required that hospitals have an emergency room so they may receive 911 ambulance patients in order to receive funding under the IHP, and as SVMC does not have an emergency room, it did not contract under the IHP. However, SVMC was recognized as a hospital that continued to play a vital role in assuring that impacted hospitals had adequate capacity to accept 911 ambulance transported patients. Consequently, the MetroCare Program contract with SVMC was amended on August 13, 2007 to allow for transfers

from the impacted hospitals as well as other County hospitals. The SVMC MetroCare Agreement expires June 30, 2010.

Impacted Hospital Program

Nine private impacted hospitals were initially offered IHP agreements. Ultimately, eight of the nine hospitals signed agreements. The eight contracted IHP hospitals are identified in Attachment A, Bellflower declined to sign an agreement.

The Agreements provide limited reimbursement for County-responsible patients who were transported to the impacted hospital emergency room by 911 ambulance and were either treated and released, or admitted. In order for impacted hospitals to claim reimbursement for 911 transported patients, patients must reside in, or be transported from, a zip code that is within MLK-Harbor's catchment area. Further, the Agreements provide for priority of transfers from IHP hospitals to County/contract facilities, provided that IHP hospitals follow certain protocols. The IHP Agreements are slated to expire June 30, 2010.

The SVMC MetroCare and IHP services continue to be vital to the South Los Angeles community. As your Board and the CEO, in conjunction with DHS, actively pursue and develop the MLK Hospital opening plans, it is necessary to retain these hospital contracts.

Should the County elect to terminate the SVMC MetroCare and IHP Agreements, the County may do so without cause, by providing the parties thirty (30) days advance written notice.

The Agreement includes the recent provisions, Defaulted Property Tax Reduction Program and Health Insurance Portability and Accountability Act of 1996 (HIPAA).

County Counsel has approved Exhibits I and II as to use and form.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of these Amendments will help to ensure that emergency medical services remain available to the persons residing in or transported from the MLK-Harbor catchment area via 911 ambulance by maintaining IHP and County hospital bed availability and transferring County-responsible patients to SVMC.

The Honorable Board of Supervisors

6/1/2010

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "John F. Schunhoff". The signature is fluid and cursive, with a large initial "J" and "S".

JOHN F. SCHUNHOFF, Ph.D.

Interim Director

JFS:cc

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

ATTACHMENT A**IMPACTED HOSPITAL PROGRAM LISTING**

	HOSPITAL	ADDRESS
1	California Hospital Medical Center	1401 S. Grand Ave. Los Angeles, CA 90015
2	Centinela Hospital Medical Center	555 East Hardy Street Inglewood, CA 90301
3	Downey Regional Medical Center	11500 Brookshire Avenue Downey, CA 90241
4	Lakewood Regional Medical Center	3700 East South Street Lakewood, CA 90712
5	Long Beach Memorial Medical Center	2801 Atlantic Ave. Long Beach, CA 90806-1737
6	Memorial Hospital of Gardena	1145 West Redondo Beach Blvd. Gardena, CA 90247
7	St. Francis Medical Center	3630 E. Imperial Hwy. Lynwood, CA 90262-2678
8	White Memorial Medical Center	1720 Cesar Chavez Avenue Los Angeles, CA 90033

METROCARE INPATIENT PROGRAM AGREEMENT
AMENDMENT NO. 4

THIS AMENDMENT is made and entered into this _____ day
of _____ 2010,

by and between

COUNTY OF LOS ANGELES
(hereafter "County"),

and

ST. VINCENT MEDICAL CENTER
(hereafter "Hospital")

WHEREAS, reference is made to that certain document entitled "METROCARE INPATIENT PROGRAM (MIP) AGREEMENT" dated December 4, 2006 and commencing on December 1, 2006, and further identified as County Agreement No. 75939, and any Amendments hereto (all hereafter referred to as "Agreement"); and

WHEREAS, County has determined that MIP services provided by Hospital continue to be in the best interests of the County; and

WHEREAS, the parties wish to make procedural changes to the Agreement; and

WHEREAS, County recognizes that Hospital continues to have a vital role in assuring that Impacted Hospitals have adequate capacity to accept certain patients transported via 911 ambulance; and

WHEREAS, Hospital has the ability and is willing to continue to accept and provide inpatient care for certain patients transferred from Impacted Hospitals and other County hospitals, in accordance with the terms and conditions which follow herein;

WHEREAS, the parties wish to extend the Agreement for an additional two (2) years, to and including June 30, 2012, with a month-to-month renewal option up to a maximum one (1) year period, which may be exercised at the sole discretion of the Director of the Department of Health Services or his designee (hereafter Director); and

WHEREAS, Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties.

NOW, THEREFORE, the parties agree as follows:

1. Subparagraph A of Paragraph 2, TERM AND TERMINATION, of the Agreement shall be deleted in its entirety and replaced with the following:

"A. This Agreement shall commence on December 1, 2006, and shall remain in full force and effect to and including June 30, 2012. At the sole discretion of the Director, this Agreement may be extended on a month-to-month basis for up to a one year period, to and including June 30, 2013, by execution of a written Amendment. Upon execution of such Amendment, and as contained therein, the term of Agreement shall be extended on a month-to-month basis up to a one year period, or until the reopening of a new Martin Luther King Jr. (MLK) Hospital, whichever occurs sooner."

2. Paragraph 4, MAXIMUM COUNTY OBLIGATION, of the Agreement shall be deleted in its entirety and replaced with the following:

"4. MAXIMUM COUNTY OBLIGATION: The Maximum County Obligation shall not exceed the sum of the number of beds contracted for, times the agreed-upon rate per patient day as specified in Exhibit "A" times the Term of this Agreement."

3. Paragraph 22, CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM, shall be added to the Agreement, to read as follows:

"22. CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM:
Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles Code Chapter 2.206."

4. Paragraph 23, CONTRACT TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM, shall be added to the Agreement, to read as follows:

"23. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM: *Failure of Contractor to maintain compliance with the requirements set forth in Sub-paragraph 22 - Contractor's Warranty of Compliance with County's Defaulted Property Tax Reduction Program shall constitute default under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this Agreement and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206."*

5. Paragraph 24, CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE" UNDER HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA), shall be added to the Agreement, to read as follows:

"24. CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE" UNDER HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA): *The County is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Under this Contract, the Contractor provides services to the County and the Contractor receives, has access to, and/or creates Protected Health Information as defined in Exhibit K in order to provide those services. The County and the Contractor therefore*

agree to the terms of Exhibit K, Contractor's Obligations As a "Business Associate" Under Health Insurance Portability and Accountability Act of 1996 (HIPAA)."

6. Exhibit A, PATIENT CONDITIONS AND PROCEDURES, Section 2, HOSPITAL RESPONSIBILITIES, Paragraph 2.B Billing, shall be deleted in its entirety and replaced with the following:

"B. Hospital agrees to bill County only for those Referred Patients whom Hospital determines are Payment Eligible Patients. Hospital must show, at a minimum, that Hospital has made a reasonable effort to collect payment for the Hospital Services provided to a patient from all third party payers, including, but not limited to, all government programs and private insurance, if any, prior to billing County for a patient.

Hospital shall bill County on a per patient basis. Hospital shall submit all UB-**04** forms within sixty (60) calendar days of the MIP patient **discharge** by first class mail to the following address:

County of Los Angeles
Department of Health Services
Fiscal Services - Special Fund Unit
313 N. Figueroa Street, Room 531
Los Angeles, California 90012
Attention: MetroCare

If Hospital makes a determination that a rejected claim will be resubmitted or appealed, a written request for reconsideration shall be made within forty-five (45) days from the date of the County's rejection notice. All resubmissions or appeals must be received by County within six (6) months after the close of the fiscal year during which services were

provided, no later than the last working day of December of the following fiscal year."

7. Exhibit A, PATIENT CONDITIONS AND PROCEDURES, Section 2, HOSPITAL RESPONSIBILITIES, Paragraph 2.E Subrogation, shall be deleted in its entirety and replaced with the following:

"E. Except as may be provided in WIC Section 16947(b), after ninety (90) calendar days following receipt of payment to Hospital by County, Hospital does hereby assign and transfer all legal and equitable rights and causes of action against such Payment Eligible Patient, his/her responsible relatives, and all third-party payers, to County and County may proceed independently, to the extent permitted by law, against such persons or agencies.

Hospital shall pursue reimbursement from third party coverage such as Medi-Cal, Medicare, other government programs, or other health insurance if they become aware of coverage. Hospital shall, upon verification of such third party coverage, submit a bill for its services to the third party. As soon as payment is received, Hospital shall reimburse County any payment received under this Agreement for that patient.

For Eligible Patients admitted to Contractor's facility prior to or on the last day during the term of this Agreement, and remaining in the hospital after that date, billings to County shall be submitted only after patient has been discharged in the subsequent fiscal year

(no partial billings). Payment by County to Hospital for such patients shall be at the rates in effect on the date of admission. Said billings shall be on forms, and completed in such detail and with such attachments in accordance with procedures prescribed in writing by Director in Exhibit "A", PATIENT CONDITIONS AND PROCEDURES."

8. Except for changes set forth hereinabove, the wording of the Agreement shall not be changed in any respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its

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Interim Director of Health Services and Hospital has caused this Amendment to be
subscribed in its behalf by its duly authorized officer, the day, month and year first
above written.

COUNTY OF LOS ANGELES

By: _____
John F. Schunhoff, Ph.D.
Interim Director of Health Services

Hospital

By: _____
Signature

Printed Name

Title _____
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:
THE OFFICE OF COUNTY COUNSEL

By _____
Deputy

Contract No. _____

IMPACTED HOSPITAL PROGRAM AGREEMENT

AMENDMENT NO. _

THIS AMENDMENT is made and entered into this _____ day of _____, 2010,

by and between

COUNTY OF LOS ANGELES
(hereafter "County"),

and

(hereafter "Hospital").

WHEREAS, reference is made to that certain document entitled "IMPACTED HOSPITAL PROGRAM (IHP) AGREEMENT", dated August 24, 2007, and further identified as County Agreement No. _____, and any Amendments hereto (all hereafter referred to as "Agreement"); and

WHEREAS, the County has determined that IHP services provided by Hospital continue to be in the best interests of the County; and

WHEREAS, the parties wish to make procedural changes to the Agreement; and

WHEREAS, County recognizes that Hospital continues to have a vital role in assuring that Impacted Hospitals have adequate capacity to accept certain patients transported via 911 ambulance; and

WHEREAS, Hospital has the ability and is willing to continue to accept and provide inpatient care for certain patients transferred from Impacted Hospitals and other County hospitals, in accordance with the terms and conditions which follow herein;

WHEREAS, the parties wish to extend the Agreement for an additional two years, to and including June 30, 2012, with a month-to-month renewal option up to a maximum one year period, which may be exercised at the sole discretion of the Director of the Department of Health Services or his designee (hereafter Director), and

WHEREAS, Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties.

NOW, THEREFORE, the parties agree as follows:

1. Paragraph 2 A, TERM AND TERMINATION, of Agreement shall be deleted in its entirety and replaced with the following:

"A. This Agreement shall commence on August 10, 2007, and shall remain in full force and effect to and including June 30, 2012. At the sole discretion of the Director, this Agreement may be extended on a month-to-month basis for up to a one year period, which would extend the Agreement to and including June 30, 2013, or until the reopening of a new Martin Luther King Jr. (MLK) Hospital whichever occurs sooner, by execution of a written Amendment. This Agreement is contingent upon passage of legislation extending the South Los Angeles Medical Services Preservation Fund."

2. Paragraph 4, MAXIMUM COUNTY OBLIGATION, of the Agreement shall be deleted in its entirety and replaced with the following:

"4. MAXIMUM COUNTY OBLIGATION: For each fiscal year this Agreement is operative, beginning with Fiscal Year 2007-08, the Maximum

County Obligation shall not exceed the sum of: 1) the number of Payment Eligible Patients receiving Emergency Room and Subsequent Inpatient Care services during the particular fiscal year at Hospital, with payment for each such patient comprised of the inpatient rate of one thousand nine hundred fifty dollars (\$1,950), times each patient's length of inpatient stay, not to exceed six (6) days for each patient; and 2) the number of all Payment Eligible Patients receiving Emergency Room Only services during the particular fiscal year times the payment rate of two hundred fifty dollars (\$250). ***Payment to the provider for any claim shall not exceed billed charges.***

All funding for the IHP is contingent upon passage of legislation to extend the South Los Angeles Medical Services Preservation Fund."

3. Paragraph 23, **CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM**, shall be added to the Agreement, to read as follows:

"23. CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM: Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless Contractor qualifies for an exemption or exclusion, Contractor

warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles Code Chapter 2.206."

4. Paragraph 24, CONTRACTERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM, shall be added to the Agreement, to read as follows:

"24. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM: Failure of Contractor to maintain compliance with the requirements set forth in Sub-paragraph 23 - Contractor's Warranty of Compliance with County's Defaulted Property Tax Reduction Program shall constitute default under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this Agreement and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206."

5. Paragraph 25, CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE" UNDER HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA), shall be added to the Agreement, to read as follows:

"25. CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE"

UNDER HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA): The County is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Under this Contract, the Contractor provides services to the County and the Contractor receives, has access to, and/or creates Protected Health Information as defined in Exhibit K in order to provide those services. The County and the Contractor therefore agree to the terms of Exhibit K, Contractor's Obligations As a "Business Associate" Under Health Insurance Portability and Accountability Act of 1996 (HIPAA)."

6. Exhibit A, HOSPITAL SERVICES AND PROVISIONS FOR REIMBURSEMENT, Section 1, IMPACTED HOSPITAL PROGRAM SERVICES, Paragraph B.5. Specific Reimbursement Conditions, shall be deleted in its entirety and replaced with the following:

"5. Notwithstanding the foregoing, ***duplicate*** payment shall not be made for patients who are covered in, or the subject of reimbursement in, any other contract between Hospital and County."

7. Exhibit A, HOSPITAL SERVICES AND PROVISIONS FOR REIMBURSEMENT, Section 2, HOSPITAL RESPONSIBILITIES, Paragraph 2.A. Billing, shall be deleted in its entirety and replaced with the following:

"A. Hospital agrees to bill County only for the hospital component of only those IHP patients who Hospital determines are Payment Eligible Patients. Hospital must show, at a minimum, that Hospital has made a reasonable effort to

collect payment for the Hospital Services provided to a patient from all third party payers, including, but not limited to, all government programs and private insurance, if any, prior to billing County for a patient.

Hospital shall bill County on a per patient basis. Hospital shall submit all UB-04 forms within one hundred eighty (180) calendar days of the IHP patient discharge by first class mail to the following address:

County of Los Angeles
Department of Health Services
Fiscal Services - Special Fund Unit
313 N. Figueroa Street, Room 531
Los Angeles, California 90012
Attention: Impacted Hospital Program

All billings must include the following:

- (1) proof of the 911 ambulance transport, and
- (2) the 911 ambulance pick-up Zip Code, as modified by
Street boundaries.
- (3) proof of County residency.

If Hospital makes a determination that a rejected claim will be resubmitted or appealed, a written request for reconsideration shall be made within forty-five (45) days from the date of the County's rejection notice. County will not accept resubmissions or appeals delivered or postmarked after June 30th of the following fiscal year."

8. Exhibit A, HOSPITAL SERVICES AND PROVISIONS FOR REIMBURSEMENT, Section 2, HOSPITAL RESPONSIBILITIES, Paragraph 2.D Subrogation, shall be deleted in its entirety and replaced with the following:

"D. Upon payment of claim to Hospital by County for an IHP patient's care, and assignment and subrogation to County of any and all rights to collection as set forth herein, Hospital shall within ninety (90) days of the receipt of those funds, cease all current and waive all future collection efforts, by itself and by its contractors/agents, to obtain any payment from the patient.

Hospital shall pursue reimbursement from third party coverage such as Medi-Cal, Medicare, other government programs, or other health insurance if they become aware of coverage. Hospital shall, upon verification of such third party coverage, submit a bill for its services to the third party. As soon as payment is received, Hospital shall reimburse County any payment received under this Agreement for that patient. Hospital agrees to assign and subrogate all rights that they may have against any patient, his/her responsible relative, any third party tortfeasor for reimbursement as a result of care and services provided by Hospital for which a claim has been paid by County under this Agreement. At its sole discretion, County and/or its Hospital may proceed independently against such parties for reimbursement to the extent permitted by law. The rights hereby assigned and subrogated to County under this provision include reimbursement up to the full amount of usual and customary fees, (including, for example, billed charges) for patient care and services regardless of any amount the Hospital has received under this Agreement.

In the event Hospital is contacted by other third party's representative (e.g., insurance claim adjuster) or a patient's attorney regarding pending litigation, Hospital shall indicate that the paid claim for services provided to their client is assigned and subrogated to the County and refer such representative to the designated County contact. Hospital shall reasonably cooperate with County in its collection efforts.

Examples of when these County collection efforts might occur would include, but not necessarily be limited to, situations where there are third-party tortfeasors responsible for a patient's medical expenses.

For IHP patients admitted to Contractor's facility prior to or on the last day during the term of this Agreement, and remaining in the hospital after that date, billings to County shall be submitted only after patient has been discharged in the subsequent fiscal year (no partial billings).

Payment by County to Hospital for such patients shall be at the rates in effect on the date of admission. Said billings shall be on forms, and completed in such detail and with such attachments in accordance with procedures prescribed in writing by Director in Exhibit "A", HOSPITAL SERVICES AND PROVISIONS FOR REIMBURSEMENT."

9. Except for the changes set forth hereinabove, the wording of Agreement shall not be changed in any respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles
has caused this Amendment to be subscribed by its
Interim Director of Health Services and Contractor has caused this Amendment to be
subscribed in its behalf by its duly authorized officer, the day, month, and year first
above written.

COUNTY OF LOS ANGELES

By _____
John F. Schunhoff, Ph.D.
Interim Director

Hospital

By _____
Signature

Printed Name

Title _____
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM BY
THE OFFICE OF COUNTY COUNSEL

By _____
Deputy